

Wisconsin's General Fund Excise Taxes

Introduction

Wisconsin imposes excise taxes on cigarettes, tobacco products, liquor, wine, and beer. While state law imposes excise taxes on the producers and distributors of these products, businesses generally pass the tax on to customers through higher prices.

The state deposits revenues from these five excise taxes into the state's general fund. The state collects and deposits additional excise taxes into segregated funds. For example, the motor vehicle fuel and alternate fuel taxes partially fund the transportation fund. This paper only covers the general fund excise taxes.

In FY19, excise taxes generated \$661.92 million or 3.80% of the entire \$17.34 billion of general purpose revenue (GPR) taxes collected for the fiscal year (Table 1 and Table 2). The cigarette tax, totaling \$514.27 million, provided 77.69% of general fund excise tax collections (see Chart 1). Liquor and wine taxes raised \$53.60 million; the tobacco products tax raised \$85.52 million; and the beer tax \$8.52 million in FY19.

Table 1
Wisconsin General Fund Excise Taxes

Tax Type	FY19 Tax Rates (prior to January 1, 2008 increases)	FY19 Excise Tax Revenues	
		(\$ millions)	%
Cigarettes	\$2.52 per pack of 20	\$514.27	77.69%
Tobacco Products	71% of manufacturer's list price for tobacco, 100% of manufacturer's list price for moist snuff and the lesser of 71% of manufacturer's list price or \$0.50 per cigar	\$85.52	12.92%
Beer	\$2.00 per 31-gallon barrel (\$0.65/gallon)	\$8.52	1.29%
Liquor and Wine Liquor Wine (<i>includes cider containing more than 7% alcohol by volume</i>) - up to 14% alcohol - 14% to 21% alcohol - over 21% alcohol	\$0.8586 per liter (\$3.25/gallon) \$0.06605 per liter (\$0.25/gallon) \$0.1189 per liter (\$0.45/gallon) \$0.8586 per liter (\$3.25/gallon)	\$53.60	8.10%
Total Excise Tax Revenues		\$661.91	100.00%

Chart 1

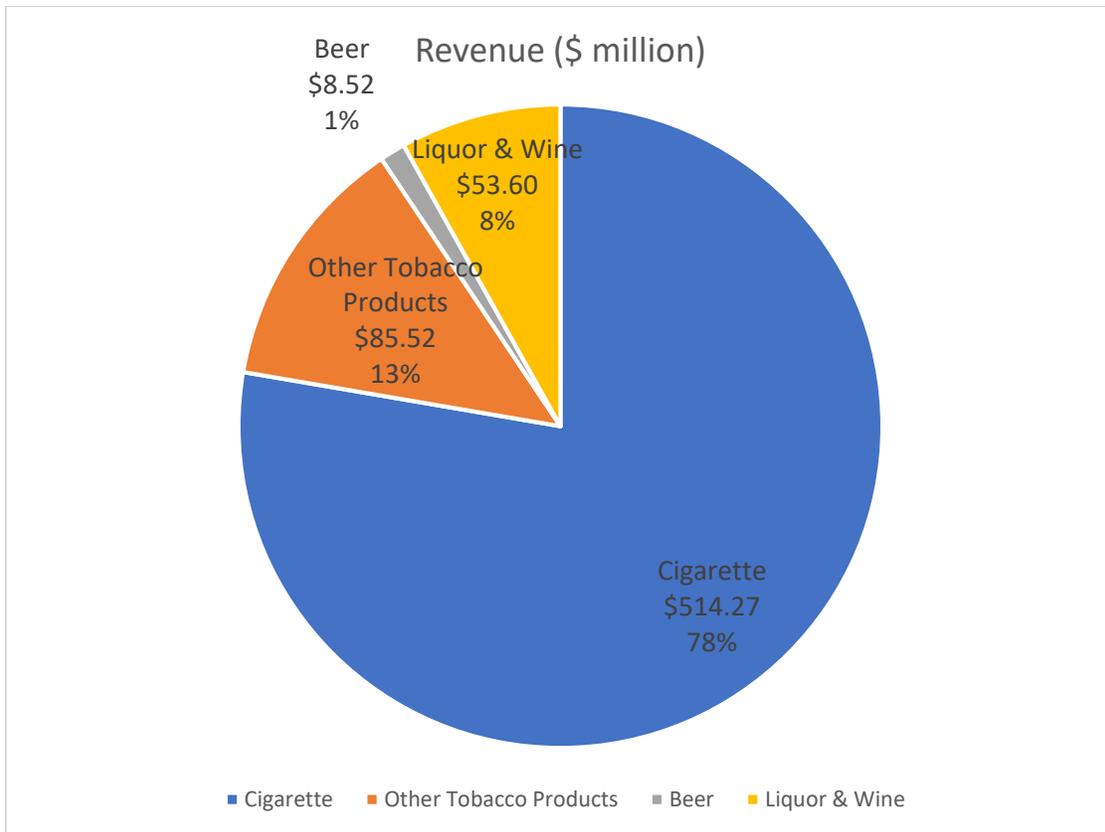


Table 2, below, shows excise tax collections for cigarettes, tobacco products, beer, liquor and wine for the last ten year period, and the cumulative percent change between FY10 and FY19.

Table 2
Excise Tax Collection and Percent Change FY10 – FY19
(\$ Million)

FY	Cigarette	Tobacco Products	Liquor and Wine	Beer	Total	Y/Y % Change
FY10	644.27	59.89	44.18	9.61	757.95	-
FY11	604.83	60.89	45.80	9.33	720.85	-4.89%
FY12	587.75	65.52	47.04	9.24	709.55	-1.57%
FY13	569.15	63.02	48.29	9.00	689.46	-2.83%
FY14	573.04	67.70	48.99	8.97	698.69	1.34%
FY15	569.55	71.92	48.77	8.83	699.06	0.05%
FY16	573.41	76.13	49.99	8.98	708.51	1.35%
FY17	564.20	80.28	52.08	9.13	705.68	-0.40%
FY18	538.90	80.20	51.97	8.91	679.98	-3.64%
FY19	514.27	85.52	53.60	8.52	661.91	-2.66%
Cumulative % Change	-20.2%	42.8%	21.3%	-11.3%	-12.7%	

The highest growth in excise tax revenue between FY10 and FY19 was in tobacco products which increased by 42.8%, followed by liquor and wine tax revenues which increased by 21.3%. Cigarettes and beer tax revenues fell by 20.2% and 11.3% respectively between FY10 and FY19. However, cigarettes continue to be the largest excise tax generator.

Between FY10 and FY19, total excise tax collections have declined by an average of 1.47% per year. The year over year percentage change ranges from a low of -4.98% between FY10 and FY11 to a high of 1.35% between FY15 and FY16.

Cigarette Tax

Cigarettes are taxed by the thousand, with the classes being set by weight: If 1,000 cigarettes weigh less than three pounds they are Class A, and if 1,000 cigarettes weigh more than three pounds they are class B. A rate of 252 mills per cigarette is imposed on class B cigarettes (cigarettes weighing more than 3 pounds per thousand). Almost no one makes Class B cigarettes anymore, therefore it will not be further discussed in this paper.

Wisconsin first imposed the cigarette tax in 1939, as an emergency tax at a rate of \$0.02 per pack. The tax increased to \$0.03 per pack in 1949 and was made permanent that year. Table 3 shows historical cigarette tax rates back to 1939. Wisconsin's cigarette tax is technically imposed on a per cigarette basis – currently at 126 mills (i.e. 126 tenths of a cent) per cigarette for class A cigarettes (cigarettes weighing less than 3 pounds per thousand). Given that the typical pack has 20 cigarettes, the current rate per pack is \$2.52.

2007 Wisconsin Act 20 increased the cigarette tax by \$1.00 per pack, from \$0.77 to \$1.77, effective January 1, 2008 and 2009 Wisconsin Act 28 provided for another increase of 75 cents per pack, from \$1.77 to \$2.52, effective September 1, 2009.

Table 3
Cigarette Tax Rate

Effective Date Of Tax Rate	Rate (Cents) Per Pack
September 15, 1939	2
July 20, 1949	3
July 1, 1955	4
July 1, 1957	5
September 1, 1961	6
August 15, 1963	8
August 1, 1965	10
September 1, 1969	14
November 5, 1971	16
August 1, 1981	20
May 1, 1982	25
September 1, 1987	30
May 1, 1992	38
September 1, 1995	44
November 1, 1997	59
October 10, 2001	77
January 1, 2008	177
September 1, 2009	252

At the federal level, as a funding mechanism for the State Children's Health Insurance Program (SCHIP), the federal excise tax on cigarettes was increased from 39 cents per pack to \$1.01 (\$1.0066) per pack, effective April 1, 2009 (Attachment 1).

The cigarette tax in Wisconsin was an occupational tax until 1983 when it was converted to an excise tax so that it could be imposed on cigarette sales by Native Americans. Although cigarette sales by Native Americans are taxable, the state refunds 70% of the tax back to the tribes for sales made to non-Native Americans and to tribal members that reside off the reservation or trust lands. In addition, the state refunds 100% of the tax back to the tribes for sales made to tribal members that reside on reservations or trust lands.

Cigarette tax collections are designated for the general fund. However, on two occasions, revenues from cigarette tax increases have been earmarked for specific programs. The additional revenue from the 1955 tax increase was used to fund a low-cost housing program for veterans, and the additional revenue from the 1961 tax increase was used to pay for improvements to the state park system.

Tobacco Products Tax

The tobacco products tax is imposed on the sale of cigars, chewing tobacco, smoking tobacco, and snuff. The tax was first imposed on October 1, 1981, at the rate of 20%. On December 1, 1999, the tobacco products tax was changed from an occupational tax to an excise tax (1999 Wis. Act 9) and on October 1, 2001, the tax rate was raised to 25%. Wisconsin's tobacco product tax was significantly modified twice in recent years, as shown in Table 4 below.

Table 4
Recent Changes - Wisconsin Cigarette and Tobacco Tax Rates

Tax Type	Prior to January 1, 2008	January 1, 2008 to August 31, 2009	September 1, 2009 and thereafter
Tobacco Products	25% of manufacturer's established list price to distributors	50% of manufacturer's established list price to distributors	71% of manufacturer's established list price to distributors
Moist Snuff	25% of manufacturer's established list price to distributors	\$1.31 per ounce	100% of manufacturer's established list price to distributors
Cigars	25% of manufacturer's established list price to distributors	Lesser of 50% of manufacturer's established list price to distributors or \$0.50 per cigar	Lesser of 71% of manufacturer's established list price to distributors or \$0.50 per cigar

Beginning January 1, 2008, the taxation of moist snuff was converted from a price-based to a weight-based tax and the tax was set at \$1.31 per ounce. Beginning September 1, 2009, however, 2009 Wisconsin Act 28 (the 2009-11 budget bill) reversed the weight based tax, and once again taxed moist snuff on a price basis equal to 100% of manufacturer's established list price to distributors.

Vapor Products (E-Cigarettes)

An excise tax on vapor products is created by 2019 Wis. Act 9. A vapor product is a noncombustible product that produces vapor or aerosol for inhalation from the application of a heating element, regardless of whether the liquid or other substance contains nicotine ([sec. 139.75\(14\)](#), Wis. Stats.). Equipment and devices not containing the liquid or other substance are not subject to the tax.

The tax is imposed on vapor products at the rate of 5 cents per milliliter of the liquid or other substance based on the volume listed by the manufacturer and at a proportionate rate for any other quantity or fractional part thereof (sec. [139.76\(1m\)](#), Wis. Stats.). The tax applies to vapor products received by distributors in Wisconsin on or after October 1, 2019, and the filing deadline for the first tax return is November 15, 2019.

Those required to pay the tax include:

- **Distributors** that sell and ship untaxed vapor products to retailers in Wisconsin.
- **Retailers** that sell and ship untaxed vapor products to consumers in Wisconsin.
- **Manufacturers** that produce vapor products in Wisconsin for sale in Wisconsin.
- **Consumers** who purchase vapor products from somebody who has not paid a vapor products excise tax on the product. These individuals must pay a use tax and file Form TT-104S, Wisconsin Combined Tobacco and Vapor Products Use Taxes Return.

Tobacco products distributor permit-holders are already authorized vapor product distributors and need not apply for another permit.

Those without a distributor permit, including manufacturers, distributors or sub jobbers of vapor products in Wisconsin, and Wisconsin retailers that purchase untaxed vapor products, must apply for a distributor permit using Form [CTP-129](#), Cigarette-Tobacco/Vapor Products Permits Application.

A retailer can verify whether its distributors are permit holders by going to <https://www.revenue.wi.gov/Pages/Report/c.aspx#ciq>. Retailers who purchase all vapor products from permitted distributors are not required to hold a permit or report vapor products tax since they are purchasing taxed vapor products.

Taxes On Distilled Spirits (Liquor) And Wine

Wisconsin imposes an occupational tax on the sale of both distilled spirits [secs. [139.03\(2m\)](#) and [139.06\(1\) \(a\)](#), Wis. Stats.] and wine [sec. [139.03\(2n\)](#), Wis. Stats.].

The current tax rates are: \$0.06605 per liter (\$0.25 per gallon) for wine containing up to 14% alcohol, \$0.1189 per liter (\$0.45 per gallon) for wine containing 14% to 21% alcohol; and \$0.8586 per liter (\$3.25 per gallon) for distilled spirits and wine containing over 21% alcohol. The tax was converted from rates per gallon to rates per liter in 1985.

Table 5 shows the rate history for the wine tax, while Table 6 shows the rate history for the distilled spirit (liquor) tax.

Table 5
Wine Tax Rates

Fiscal Year of Rate Change	Alcohol Content	Tax Rate \$/gallon
1934	Up to 21%	0.25
	Over 21%	1.00
1936	Up to 14%	0.05
	14% to 21%	0.10
	Over 21%	1.00
1948	Up to 14%	0.10
	14% to 21%	0.20
	Over 21%	2.00
1960	Up to 14%	0.15
	14% to 21%	0.30
	Over 21%	2.00
1964	Up to 14%	0.17
	14% to 21%	0.34
	Over 21%	2.25
1972	Up to 14%	0.19
	14% to 21%	0.39
	Over 21%	2.60
1982	Up to 14%	0.25
	14% to 21%	0.45
	Over 21%	3.25
1986 (1)	Up to 14%	0.05
	14% to 21%	0.10
	Over 21%	1.00

Notes: (1) Up to 14% - \$0.066 per liter, 14% to 21% - \$0.119 per liter and Over 21 % - \$0.859 per liter

Wisconsin initially established its wine and liquor taxes following the end of Prohibition. The initial rates were \$0.25 per gallon for wine containing up to 21% alcohol, \$1.00 per gallon for wine containing over 21% alcohol, and \$1.00 per gallon for distilled spirits.

Table 6
Distilled Spirits Tax Rates

FY of Rate Change	Tax Rate
1934	\$1.00 per gallon
1948	\$2.00 per gallon
1964	\$2.25 per gallon
1972	\$2.60 per gallon
1982	\$3.25 per gallon
1986	\$0.8586 per liter or \$3.25 per gallon

Liquor distributors remit the tax on a monthly basis, and the tax is based upon the distributor's tax liability for the previous month. In addition to the liquor tax, distributors pay DOR an administrative fee of \$0.11 per gallon on liquor containing 0.5% or more alcohol by volume.

Tax On Fermented Malt Beverages

Wisconsin imposes an occupational tax on the sale of fermented malt beverages (beer) at the rate of \$2.00 per 31-gallon barrel [sec. [139.02\(1\)](#), Wis. Stats.]. The tax was first imposed in 1933, at the end of Prohibition, at the rate of \$1.00 per barrel. It was intended to be temporary, but was made permanent in 1943. The only increase in the tax rate occurred on November 1, 1969 (by Chapter 185, Laws of 1969), when it was raised to its current rate of \$2.00 per 31-gallon barrel (equivalent to about \$0.065 per gallon).

Excise Tax Comparisons With Other States

Cigarette Taxes

All 50 states and the District of Columbia impose cigarette taxes. In addition, eight states – Alabama, Alaska, Illinois, Missouri, New York, Ohio, Tennessee and Virginia – permit at least one county or city to levy cigarette taxes.

State cigarette tax rates range from a high of \$4.50 in the District of Columbia (DC) to a low of \$0.17 in Missouri. As of November 1, 2019, Wisconsin's \$2.52 rate was the 11th highest among the 50 states. Wisconsin's tax rate is higher than those in Michigan (\$2.00), Iowa (\$1.36), and Illinois (\$1.98). The cigarette tax rate in Minnesota is \$3.04 and is the highest cigarette tax rate in the region.

As of November 1, 2019, the average state cigarette tax rate (including DC) is \$1.66 per pack and the highest state-only cigarette tax rate (excluding DC's rate of \$4.50 per pack) is New York and Connecticut at \$4.35 per pack. Most states prohibit local governments from imposing cigarette taxes, however the following exceptions apply:

- (a) Counties and cities may impose an additional tax on a pack of cigarettes: In Alabama, 1¢ to 25¢; Illinois, 10¢ to \$4.18; Missouri, 4¢ to 7¢; New York City, \$1.50; Tennessee, 1¢; and Virginia, 2¢ to 15¢.
- (b) Florida's rate includes a surcharge of \$1 per pack.
- (c) Dealers pay an additional enforcement and administrative fee of 0.05¢ in Tennessee
- (d) Minnesota imposes an in lieu cigarette sales tax determined annually by the Department of Revenue. The current rate is 58.8¢ through December 31, 2019.
- (e) The District of Columbia imposes an in lieu cigarette sales tax calculated every March 31. The current rate is 44¢.

Tobacco Products & E-Cigarettes Taxes

Unlike the cigarette tax, which is standardized on a per pack basis, the taxation of other tobacco products, which includes snuff, chewing tobacco, smoking tobacco, cigars, and vapor is diverse. It varies both between and within states depending on the type of tobacco product considered. Several states tax some tobacco products as a percentage of price and other products by unit or weight.

Seven states, including Wisconsin, base the snuff tax on the price charged by the manufacturer. Twenty-one states (including the District of Columbia), base the tax on the wholesale price, while nineteen states, base the tax on weight (oz).

Seven states, including Wisconsin, base chewing and smoking tobacco taxes on manufacturer's price. seventeen states (including the District of Columbia), base the tax on wholesale price, fifteen states, base the tax on weight (oz).

Nine states, including Wisconsin, tax cigars based on the price charged by manufacturers, 35 states (including the District of Columbia), base the tax on wholesale prices, 3 states, base the tax on 10 cigar packs, and 2 states (Georgia and Vermont) on a combination of wholesale and packs.

- (1) Alabama's cigar tax rate rises with the retail price; the rate on smoking tobacco and snuff depends on package weight.
- (2) The District of Columbia (DC) adjusts the tax rate annually, effective October 1st each year.
- (3) Florida's rate includes a 60% surtax.
- (4) In Hawaii, Iowa, Pennsylvania, Utah and Washington little cigars are taxed as cigarettes.

You may visit <https://www.revenue.wi.gov/Pages/RA/CigaretteTobaccoTaxes.aspx> to view our visualizations on cigarettes and other tobacco product taxes.

Liquor Taxes

Thirty-three states are classified as license states, where a licensed entity may sell liquor and impose excise taxes on liquor sales. The remaining 17 states are liquor monopoly states where the government maintains complete or partial control over the sale of liquor and generates revenue through taxes, fees, and profits from sales (Alabama, Idaho, Iowa, Maine, Michigan, Mississippi, Montana, New Hampshire, North Carolina, Ohio, Oregon, Pennsylvania, Utah, Vermont, Virginia, West Virginia, and Wyoming).

As of January 1, 2019, tax rates ranged from \$14.27 per gallon in Washington State which privatized liquor sales effective June 1, 2012 to \$2.28 per gallon in Colorado. Both Minnesota (at \$5.03 per gallon) and Illinois (at \$8.55 per gallon) had tax rates higher than Wisconsin's \$3.25 per gallon. Iowa and Michigan are monopoly states.

Wine Taxes

Forty-seven states impose an excise tax on the sale of wine. Three states - Pennsylvania, Utah, and Wyoming - have state wine monopolies, all wine sales are through state stores. Revenue in these states is generated from various taxes, fees, price mark-ups, and net profits. Ignoring special tax rates on sparkling wine and on wine with high or low alcohol content, Alaska had the highest tax rate (\$2.50 per gallon) and California the lowest (\$0.20 per gallon). Only California (\$0.20), and Texas (\$0.20) had tax rates on wine lower than Wisconsin's \$0.25 per gallon rate. Wisconsin's neighbors all had higher wine tax rates - \$1.75 per gallon in Iowa, \$1.39 in Illinois, \$0.51 in Michigan, and \$0.30 in Minnesota.

Beer Taxes

All states impose a beer tax. Wyoming had the lowest tax, \$0.02 per gallon, while Hawaii had the highest rate, \$0.93 per gallon. Missouri, at \$0.06 per gallon and Wisconsin at \$0.065 had the next lowest tax rates after Wyoming. Rates in neighboring states were \$0.231 per gallon in Illinois, \$0.19 in Iowa, \$0.20 in Michigan and \$0.15 in Minnesota.

You can check our data visualizations on alcohol beverages and a range of other Wisconsin Tax and economic data at: <https://www.revenue.wi.gov/Pages/RA/AlcoholBeverage.aspx> and at: <https://www.revenue.wi.gov/Pages/Report/Home.aspx> respectively.

Attachment 1
State Cigarette Tax Rates & Rank

State	Cigarette Tax Per Pack	National Rank (1=high)	FY 2017 Pack Sales (millions)	FY 2017 Tax Revenue (millions)	Retail Price per Pack
All State Average	\$1.81	na	12.3 billion	\$16.9 billion	\$6.30
Alabama	\$0.68	41st	282.50	179.80	5.11
Alaska	\$2.00	17th	24.40	48.50	8.89
Arizona	\$2.00	17th	156.10	288.40	7.06
Arkansas	\$1.15	35th	156.50	170.50	5.93
California	\$2.87	11th	804.50	950.60	7.69
Colorado	\$0.84	39th	191.00	158.90	5.45
Connecticut	\$4.35	2nd	94.60	367.30	10.06
Delaware	\$2.10	15th	69.10	108.60	6.13
Washington, DC	\$4.50	1st	9.00	25.70	10.00
Florida	\$1.34	31st	837.10	1098.90	5.95
Georgia	\$0.37	49th	470.20	170.60	4.69
Hawaii	\$3.20	6th	35.90	114.90	8.88
Idaho	\$0.57	45th	65.60	36.20	5.29
Illinois	\$2.98	10th	393.30	762.40	8.50
Indiana	\$1.00	38th	406.20	397.90	5.50
Iowa	\$1.36	30th	141.10	188.30	6.11
Kansas	\$1.29	33rd	100.30	132.90	5.86
Kentucky	\$1.10	36th	379.90	226.90	5.54
Louisiana	\$1.08	37th	269.60	276.80	5.59
Maine	\$2.00	17th	66.10	130.20	7.09
Maryland	\$2.00	17th	175.60	346.90	6.80
Massachusetts	\$3.51	5th	165.30	578.90	9.68
Michigan	\$2.00	17th	441.00	868.80	6.51
Minnesota	\$3.04	8th	156.50	556.80	8.94
Mississippi	\$0.68	40th	177.50	115.10	5.02
Missouri	\$0.17	51st	484.40	79.90	4.62
Montana	\$1.70	25th	42.90	70.40	6.02
Nebraska	\$0.64	42nd	82.80	52.00	5.31
Nevada	\$1.80	23rd	106.70	191.50	6.33
New Hampshire	\$1.78	24th	116.50	208.00	5.85
New Jersey	\$2.70	12th	244.50	659.00	7.51
New Mexico	\$2.00	17th	50.00	82.80	6.62
New York	\$4.35	2nd	261.80	1133.90	10.47

Attachment 1 (Continue)
State Cigarette Tax Rates & Rank

State	Cigarette Tax Per Pack	National Rank (1=high)	FY 2017 Pack Sales (millions)	FY 2017 Tax Revenue (millions)	Retail Price per Pack
North Carolina	\$0.45	47th	553.40	248.70	4.74
North Dakota	\$0.44	48th	49.40	21.70	4.74
Ohio	\$1.60	27th	581.70	913.90	6.15
Oklahoma	\$2.03	16th	237.40	242.30	6.41
Oregon	\$1.33	32nd	156.80	206.30	5.65
Pennsylvania	\$2.60	13th	518.10	1303.90	8.05
Rhode Island	\$4.25	4th	36.10	133.60	9.66
South Carolina	\$0.57	45th	275.30	149.70	4.91
South Dakota	\$1.53	28th	36.00	54.50	6.33
Tennessee	\$0.62	43rd	393.70	239.20	5.07
Texas	\$1.41	29th	889.20	1195.80	6.20
Utah	\$1.70	25th	56.20	91.60	6.85
Vermont	\$3.08	7th	22.70	67.90	8.68
Virginia	\$0.30	50th	511.30	151.50	4.98
Washington	\$3.03	9th	124.20	377.90	8.27
West Virginia	\$1.20	34th	150.60	173.50	5.81
Wisconsin	\$2.52	14th	225.50	564.20	7.32
Wyoming	\$0.60	44th	30.70	17.30	4.97

Sources: tobaccofreekids.org

State averages do not include U.S. territories. Taxed Pack Sales include all cigarette sales on which cigarette taxes were collected. The retail price per pack includes all federal and statewide excise and sales taxes but not any purely local taxes (except that NY City's \$1.50 per pack tax is factored into the overall NY State price per pack). AK, DE, MT, NH & OR have no state sales tax; OK has a state sales tax, but does not apply it to cigarettes; MN & DC apply a per-pack sales tax at the wholesale level; and AL, GA & MO do not apply their sales tax to the portion of retail cigarette prices that is the state's cigarette excise tax.

Attachment 2
Other State Tax Rates on Distilled Spirits
(January 1, 2019)

State	Sales Tax Applies	Other Taxes
Alabama	Yes	
Alaska	n.a.	Under 21% - \$2.50/gallon
Arizona	Yes	Under 5% - \$0.50/gallon, under 21% - \$1.00/gallon; \$0.20/case; 3% off; 14% on-premise retail taxes
Arkansas	Yes	
California	Yes	Over 50% - \$6.60/gallon
Colorado	Yes	
Connecticut	Yes	Under 7% - \$2.46/gallon
Delaware	n.a.	25% or less - \$3.00/gallon
Florida	Yes	Under 17.259% - \$2.25/gallon, over 55.780% - \$9.53/gallon
Georgia	Yes	\$0.83/gallon local tax
Hawaii	Yes	
Idaho	Yes	
Illinois	Yes	Under 20% - \$1.39/gallon; \$2.68/gallon in Chicago and \$2.50/gallon in Cook County
Indiana	Yes	Under 15% - \$0.47/gallon
Iowa	Yes	
Kansas	--	8% off- and 10% on-premise retail tax
Kentucky	Yes	Under 6% - \$0.25/gallon; \$0.05/case and 11% wholesale tax
Louisiana	Yes	
Maine	Yes	
Maryland	Yes	9% sales tax
Massachusetts		under 15% - \$1.10/gallon, over 50% alcohol - \$4.05/proof gallon; 0.57% on private club sales
Michigan	Yes	
Minnesota	--	\$0.01/bottle (except miniatures) and 9% sales tax
Mississippi	Yes	
Missouri	Yes	
Montana	n.a.	
Nebraska	Yes	
Nevada	Yes	5% to 14% - \$0.70/gallon, 15% to 22% - \$1.30/gallon
New Hampshire	n.a.	
New Jersey	Yes	
New Mexico	Yes	
New York	Yes	Under 24% - \$2.54/gal.; additional \$1.00/gal. in New York City
North Carolina	Yes (1)	
North Dakota	--	7% state sales tax
Ohio	Yes	
Oklahoma	Yes	13.5% on-premise
Oregon	n.a.	
Pennsylvania	Yes	
Rhode Island	Yes	
South Carolina	Yes	\$5.36/case and 9% surtax; additional 5% on-premise tax
South Dakota	Yes	Under 14% - \$0.93/gallon; 2% wholesale tax
Tennessee	Yes	15% on-premise; under 7% - \$1.10/gallon.
Texas	Yes	14.95% on-premise and \$0.05/drink on airline sales
Utah	Yes	
Vermont	No	10% on-premise sales tax
Virginia	Yes	
Washington (2)	--	\$9.24/gal. on-premise; 20.5% retail sales tax, 13.7% sales tax to on-premise
West Virginia	Yes	
Wisconsin	Yes	\$0.03/gallon administrative fee
Wyoming	Yes	
Dist. of Columbia	--	9% off- and on-premise sales tax

Source: Compiled by FTA from state sources.

(1) General sales tax applies to on-premise sales only.

(2) Washington privatized liquor sales effective June 1, 2012.

Attachment 3
Other State Tax Rates on Wine
 (January 1, 2019)

State	Sales Tax Applies	Other Taxes
Alabama	Yes	\$0.26/gallon local; over 16.5% - \$9.16/gallon
Alaska	n.a.	
Arizona	Yes	Over 24% - \$4.00/gallon
Arkansas	Yes	Under 5% - \$0.25/gallon; \$0.05/case; 3% off- and 10% on-premise
California	Yes	Sparkling wine - \$0.30/gallon
Colorado	Yes	
Connecticut	Yes	Over 21% and sparkling wine - \$1.80/gallon
Delaware	n.a.	
Florida	Yes	Over 17.259% - \$3.00/gallon, sparkling wine \$3.50/gallon
Georgia	Yes	Over 14% - \$2.54/gallon; \$0.83/gallon local tax
Hawaii	Yes	Sparkling wine - \$2.12/gallon, wine coolers - \$0.85/gallon
Idaho	Yes	
Illinois	Yes	Over 20% - \$8.55/gallon; (\$0.36 - \$0.89/gallon in Chicago; (\$0.24 - \$0.45)/gallon in Cook County
Indiana	Yes	Over 21% - \$2.68/gallon
Iowa	Yes	Under 5% - \$0.19/gallon
Kansas	--	Over 14% - \$0.75/gallon; 8% off- and 11% on-premise
Kentucky	Yes	10.0% wholesale
Louisiana	Yes	14% to 24% - \$1.32/gallon, over 24% and sparkling wine - \$2.08/gallon
Maine	Yes	Over 15.5% - sold through state stores, sparkling wine - \$1.25/gallon; 7% on-premise sales tax
Maryland	--	9% sales tax
Massachusetts		Sparkling wine - \$0.70/gallon;
Michigan	Yes	Over 16% - \$0.76/gallon
Minnesota	--	14% to 21% - \$0.95/gallon, under 24% and sparkling wine - \$1.82/gallon; over 24% - \$3.52/gallon; \$0.01/bottle (except miniature) and 9% sales tax
Mississippi	Yes	Sparkling wine and champagne - \$1.00/gallon;
Missouri	Yes	Includes additional charges
Montana	n.a.	Over 16% - sold through state stores
Nebraska	Yes	Over 14% - \$1.35/gallon
Nevada	Yes	14% to 22% - \$1.30/gallon, over 22% - \$3.60/gallon
New Hampshire	n.a.	
New Jersey	Yes	
New Mexico	Yes	
New York	Yes	
North Carolina	Yes	Over 17% - \$1.11/gallon
North Dakota	--	Over 17% - \$0.60/gallon; 7% sales tax
Ohio	Yes	Over 14% to 21% - \$1.00/gal., vermouth - \$1.10/gal.; sparkling wine - \$1.50/gal.
Oklahoma	Yes	Sparkling wine - \$2.08/gallon; 13.5% on-premise
Oregon	n.a.	Over 14% - \$0.77/gallon
Pennsylvania	Yes	
Rhode Island	Yes	Sparkling wine - \$0.75/gallon
South Carolina	Yes	\$0.18/gallon additional tax
South Dakota	Yes	14% to 20% - \$1.45/gallon, over 21% and sparkling wine - \$2.07/gallon; 2% wholesale tax
Tennessee	Yes	15% on-premise
Texas	Yes	Over 14% - \$0.408/gallon and sparkling wine - \$0.516/gallon; 14.95% on-premise and \$0.05/drink on airline sales
Utah	Yes	
Vermont	Yes	Over 16% - sold through state store, 10% on-premise sales tax
Virginia	Yes	Under 4% - \$0.2565/gallon and over 14% - sold through state stores
Washington	Yes	Over 14% - \$1.75/gallon
West Virginia	Yes	5% local tax
Wisconsin	Yes	Over 14% - \$0.45/gallon
Wyoming	Yes	
Dist. of Columbia	--	9% off- and on-premise sales tax; over 14% - \$0.40/gal.; Sparkling - \$0.45/gal.

Source: Compiled by FTA from state sources.

Attachment 4
Other State Tax Rates on Beer
 (January 1, 2019)

State	Sales Tax Applies	Other Taxes
Alabama	Yes	\$0.52/gallon local tax statewide
Alaska	n.a.	
Arizona	Yes	
Arkansas	Yes	3% off- 10% on-premise tax
California	Yes	
Colorado	Yes	
Connecticut	Yes	
Delaware	n.a.	
Florida	Yes	
Georgia	Yes	\$0.53/gallon local tax
Hawaii	Yes	\$0.54/gallon draft beer
Idaho	Yes	Over 4% - \$0.45/gallon
Illinois	Yes	\$0.29/gallon in Chicago and \$0.09/gallon in Cook County
Indiana	Yes	
Iowa	Yes	
Kansas	--	8% off- and 10% on-premise
Kentucky	Yes	10.0% wholesale tax
Louisiana	Yes	\$0.048/gallon local tax
Maine	Yes	7% on-premise sales tax
Maryland	--	9% sales tax
Massachusetts		0.57% on private club sales
Michigan	Yes	
Minnesota	--	Under 3.2% - \$0.077/gallon, 9% sales tax
Mississippi	Yes	
Missouri	Yes	
Montana	n.a.	
Nebraska	Yes	
Nevada	Yes	
New Hampshire	n.a.	
New Jersey	Yes	
New Mexico	Yes	
New York	Yes	Additional \$0.12/gallon in New York City
North Carolina	Yes	7% state sales tax, bulk beer \$0.08/gal.
North Dakota	--	
Ohio	Yes	
Oklahoma	Yes	Under 3.2% - \$0.36/gallon; 13.5% on-premise
Oregon	n.a.	
Pennsylvania	Yes	
Rhode Island	Yes	\$0.04/case wholesale tax
South Carolina	Yes	
South Dakota	Yes	
Tennessee	Yes	Excise Barrelage Tax and Wholesale Tax
Texas	Yes	14.95% on-premise and \$0.05/drink on airline sales
Utah	Yes	Over 3.2% - sold through state store
Vermont	Yes	More than 6% alcohol - \$0.55; 10% on-premise sales tax
Virginia	Yes	
Washington	Yes	
West Virginia	Yes	
Wisconsin	Yes	
Wyoming	Yes	
Dist. of Columbia	Yes	9% off- and on-premise sales tax

Source: Compiled by FTA from state sources.